

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

**RE: Notice of Insufficient Cash Value - Action Required**

**Policy Number:** [Policy Number]

**Insured:** [Insured Name]

Dear [Policyholder Name],

We are writing to inform you that the cash value of your Universal Life insurance policy is currently insufficient to cover the monthly insurance charges and administrative fees required to keep your coverage in force.

As a result, your policy has entered a grace period. To prevent your coverage from lapsing and terminating, a payment must be received by **[Grace Period Expiration Date]**.

**Payment Required to Maintain Coverage:** \$[Amount Required]

Please note the following regarding this notice:

- If payment is not received by the date specified above, your policy will lapse and all coverage will end.
- Once a policy lapses, you may lose the death benefit protection and any associated riders.
- Reinstating a lapsed policy may require additional medical underwriting and is not guaranteed.

You can make a payment via [Payment Methods, e.g., online portal, phone, or mail]. If you have already sent a payment, please disregard this notice.

If you have questions regarding your policy values or wish to discuss options such as adjusting your death benefit to lower costs, please contact our Customer Service Department at [Phone Number] or [Email Address].

Sincerely,

[Company Representative Name]

[Department Name]

[Insurance Company Name]